

United States Department of Agriculture
Rural Development

Contact: Jacqueline Barker, Community Development Manager

573-581-4177, extension 4

\$180,000 USDA RURAL DEVELOPMENT GRANT TO NORTH EAST COMMUNITY ACTION CORPORATION

In a Mock Check Ceremony, U.S. Congressman Kenny Hulshof and Randy Griffith, Single Family Housing Director for USDA Rural Development, presented a check for \$180,000 to North East Community Action Corporation today. These grant funds are to be used by NECAC for administrative expenses to supervise the USDA Mutual Self Help Housing Program, allowing a total of 15 families to build their own homes.

“This program is a wonderful example of how the federal government can help those who are willing to help themselves,” Hulshof said. “The Self Help Housing Program has helped many Missouri families achieve a big part of the American Dream – owning their own homes. The people of NECAC and the families involved in the program should be very proud of their accomplishments.”



Pictured left to right: Rande Bryan, Randy Griffith, U.S. Congressman Hushoff, Don Patrick, NECAC Executive Director, Jeff Porter, Mayor of Montgomery City, and Carla Potts, NECAC

“NECAC is honored to be awarded this grant to continue our administration of this very important program,” said NECAC Executive Director Donald Patrick. “We are pleased and proud that we are able to continue meeting our goal of providing more home-ownership opportunities in this region of Missouri.”

The Self-Help Housing Program provides low and very-low income people in rural areas the opportunity to build their own homes. Families that meet USDA rural housing eligibility requirements may qualify to participate in the program where USDA offers a no down payment, fixed interest rate, 33 year loan to an eligible family. Ultimately, a group of eligible families and individuals work together under the guidance of a construction supervisor hired by the nonprofit housing organization, North East Community Action Corporation (NECAC). The families perform approximately 65 percent of all the construction work. By working together for about ten months they complete the homes at the same time. The hard work becomes their down payment commonly called “sweat equity.” Participants, along with family and friends, are required to work at least 25 hours per week.

Since the USDA/NECAC partnership began in 1998, there have been 26 new homes built in Randolph, Monroe, and Shelby counties and six more families are ready to begin construction in Montgomery County. Additionally, nine more homes will be built under the mutual self help housing process in Northeast Missouri. This will assist in fulfilling President George W. Bush’s Five Star Commitment to expand minority homeownership including: lowering fees to reduce barriers to minority homeownership; double the number of self-help participants by 2010; increase participation by minority lenders; promote credit counseling and homeownership education; and monitor lending activities to ensure 10 percent increase in minority

homeownership. Additionally, to assist more low to very-low income families obtain financing for safe secure housing.

The initial group in Montgomery County will consist of six families. Robert Shaw, Samantha Wojack, Rhonda Kobush, Nicola Boyd, and Jamie Mikel will build their homes in Fairview Estates, a new subdivision in Montgomery City. Tamara Hampton will build her home in Middletown.

Other partners in the USDA Self-Help program include the HUD Section 8 Home-ownership Assistance Program that can provide subsidy assistance to eligible applicants on the house payment. Missouri Housing Development Commission assisted with down payment assistance of up to \$10,000 per eligible family to help with closing costs and to increase affordability. The Missouri Department of Economic Development also is providing up to \$5,000 in assistance to each family building in Fairview Estates.

Greg Branum, State Director of Rural Development, added that special thanks are extended to our federal elected officials including U.S. Senators “Kit” Bond and Jim Talent, plus U.S. Representative Kenny Hulshof for making available federal monies for funding this kind of project providing essential services for the community. This kind of assistance mirrors USDA Rural Development's mission and President Bush's initiative of being committed to the future of rural communities."

Anyone interested in obtaining information regarding Rural Housing programs or other programs available through USDA Rural Development may visit the homepage at <http://www.rurdev.usda.gov/mo/> or contact Jacqueline Barker, Community Development Manager, at the Mexico Local Office of USDA Rural Development at 4617 S. Clark, Mexico, MO 65265, or by calling 573-581-4177 (extension 4).

“Committed to the future of rural communities.”

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